

RESOLUTION NO. RS2018-1309

A resolution requesting that the investment committee of the Metropolitan Employee Benefit Board divest funds invested with entities engaged in the operation of private prisons.

WHEREAS, section 13.04 of the Metropolitan Charter establishes an investment committee which shall regulate and determine all matters dealing with the investment of funds committed to the Metropolitan Employee Benefit Board; and

WHEREAS, section 13.04 of the Metropolitan Charter imbues the investment committee with full and complete control over all investments, subject only to the provisions of the Metropolitan Charter and other applicable law; and

WHEREAS, section 3.08.120 of the Metropolitan Code of Laws similarly provides that the powers and duties of the investment committee consist of the regulation and determination of all matters dealing with investment of the trust fund, including full and complete control over all investments; and

WHEREAS, with full acknowledgment of the authority vested solely within the investment committee, it is nevertheless incumbent upon members of this legislative body to respectfully request full divestment of Metropolitan Government funds from entities engaged in ethically dubious -- albeit legal -- enterprises, including the operation of private prisons; and

WHEREAS, the Metropolitan Government currently maintains a pension fund which holds in excess of \$900,000.00 in investments with CoreCivic; and

WHEREAS, CoreCivic is currently the second largest private prison corporation in the United States, operating approximately 65 state and federal correctional and detention facilities in 19 states, with estimated revenues of approximately \$1.8 billion; and

WHEREAS, CoreCivic was formerly known as Corrections Corporation of America (CCA) which, prior to its rebranding, was the subject of controversial allegations, including claims the company inadequately staffed facilities, engaged in extensive lobbying -- including efforts to enhance prison sentences -- and failed to cooperate with legal authorities in efforts to avoid penalties or other repercussions; and

WHEREAS, divestment from private prison operations is based upon broader principles than the potential transgressions of any one company. While the operation of private prisons is legal, deriving a profit from the incarceration of others is a morally bankrupt enterprise with which the Metropolitan Government should not be affiliated;

WHEREAS, for similar reasons, efforts to divest from private prison operations have been advanced in other cities, including most recently in New York, New York, and Cincinnati, Ohio; and

WHEREAS, it is fitting and proper that the investment committee of the Metropolitan Employee Benefit Board be encouraged to seek divestment from entities engaged in operating private prisons.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1. That the Metropolitan Council hereby goes on record as respectfully requesting that the investment committee of the Metropolitan Employee Benefit Board seek divestment of Metropolitan Government funds from those entities engaged in the operation of private prisons.

Section 2. The Metropolitan Clerk is hereby directed to send a copy of this Resolution to each member of the Metropolitan Employee Benefit Board, including each investment committee member.

Section 3. The Chairman of the Metropolitan Employee Benefit Board is requested to respond to the Metropolitan Council as to the feasibility of the request stated in Section 1 hereof within ninety (90) days from the adoption of this Resolution.

Section 4. This Resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

INTRODUCED BY:

Erica Gilmore
Member of Council, At-Large